

THIS NOTICE MUST BE FILED AND SERVED ON OR BEFORE APRIL 16, 2019

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

-----X
In re: :
: :
THE FINANCIAL OVERSIGHT AND MANAGEMENT : PROMESA
BOARD FOR PUERTO RICO, : Title III
: :
as representative of : Case No. 17-BK-3283 (LTS)
: :
THE COMMONWEALTH OF PUERTO RICO *et al.*, : (Jointly Administered)
: :
Debtors. : X

**NOTICE OF PARTICIPATION IN OMNIBUS OBJECTION
TO CLAIMS FILED OR ASSERTED BY HOLDERS OF CERTAIN
COMMONWEALTH GENERAL OBLIGATION BONDS**

This Notice of Participation must be served and filed no later than [insert date that is 60 days after entry of order granting Procedures Motion] in accordance with the instructions set forth at the end of this document.

The party identified below (“Participant”) hereby advises the Objectors that it intends to participate in the litigation of the *Omnibus Objection of the Financial Oversight and Management Board, Acting Through its Special Claims Committee, and the Official Committee of Unsecured Creditors, Pursuant to Bankruptcy Code Section 502 and Bankruptcy Rule 3007, to Claims Filed or Asserted by Holders of Certain Commonwealth General Obligation Bonds*, dated January 14, 2019 [Docket No. 4784] (the “Objection”), which asserts that all claims that have been or may be asserted against the Commonwealth of Puerto Rico on account of general obligation bonds issued by the Commonwealth in or after 2012 (the “Challenged GO Bonds”) are invalid.

To ensure full participation rights in the litigation of the Objection, Participant provides all of the information requested in items 1 through 3 below:

1. Participant’s contact information, including email address, and that of its counsel, if any:

Participant Name and Contact Information

Cantor-Katz Collateral Monitor LLC
Participant Name
Richard Katz
Contact Person (if Participant is not an individual)
rich.katz@torquepointllc.com
Email Address

Counsel Contact Information (if any)

Orrick Herrington & Sutcliffe LLP
Firm Name (if applicable)
Doug Mintz
Contact Person
dmintz@orrick.com
Email Address

* THIS NOTICE REQUIRES ACTION ON OR BEFORE APRIL 16, 2019*

1915 Vallejo Street
Address line 1

Address line 2
San Francisco, CA 94123
City, State Zip Code
USA
Country

Columbia Center
Address line 1
1152 15th Street NW
Address line 2
Washington, DC 20005-1706
City, State Zip Code
USA
Country

-and-

Matthew Cantor
Contact Person (if Participant is not an individual)
Mcantor4@mac.com
Email Address
235 West 71st Street
Address line 1
Unit 3
Address line 2
New York, NY 10023
City, State Zip Code
USA
Country

2. Participant advises that it (choose one of the following by marking "X" in the appropriate space):

 intends to support the relief requested in the Objection (i.e., Participant believes the Court should find that the Challenged GO Bonds are invalid); or

 X intends to oppose the relief requested in the Objection (i.e., Participant believes that the Court should find that the Challenged GO Bonds are valid)

3. If Participant is not a holder of a Challenged GO Bond, it can skip to the end of this Notice and sign. If Participant is a holder of one or more Challenged GO Bonds, Participant must respond to the following paragraphs (a) and (b) to the best of Participant's knowledge.

(a) Provide the CUSIP Numbers of all Challenged GO Bonds held by Participant:

Not Applicable.

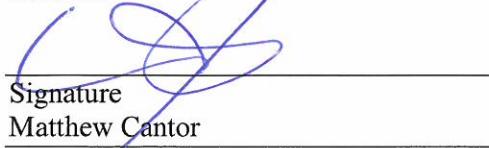
(b) Did Participant purchase any of its Challenged GO Bonds in whole or in part on the secondary market? YES or NO (please circle one).

Not Applicable.

PLEASE SEE ATTACHED ANNEX FOR FURTHER STATEMENTS FROM AND INFORMATION PROVIDED BY THE PARTICIPANT

By: Cantor-Katz Collateral Monitor LLC

By: Beach Lane II LLC, a managing member


Signature

Matthew Cantor

Print Name

Its managing member

Title (if Participant is not an Individual)

April 16, 2019

Date

Instructions for Serving and Filing Notice of Participation: This Notice of Participation must be
(i) served by email on the Notice Parties set forth in paragraph 8 of the Objection Procedures and
(ii) filed electronically with the District Court pursuant to its Electronic Case Filing procedures. **If the Participant is not represented by counsel, the Participant may file a paper copy of this Notice of Participation with the District Court by delivering such Notice of Participation by mail or by hand addressed to: The Clerk of the United States District Court for the District of Puerto, Room 150 Federal Building, 150 Carlos Chardon Avenue, San Juan, PR 00918-1767.**

ANNEX

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

	X
In re:	:
THE FINANCIAL OVERSIGHT AND MANAGEMENT	:
BOARD FOR PUERTO RICO,	PROMESA
	:
as representative of	Title III
	:
THE COMMONWEALTH OF PUERTO RICO <i>et al.</i> ,	Case No. 17-BK-3283 (LTS)
	:
Debtors.	(Jointly Administered)
	:
	X

**ANNEX TO NOTICE OF PARTICIPATION IN OMNIBUS OBJECTION
TO CLAIMS FILED OR ASSERTED BY HOLDERS OF CERTAIN
COMMONWEALTH GENERAL OBLIGATION BONDS**

This is an annex to, and a part of, the Notice of Participation in Omnibus Objection to Claims Filed or Asserted by Holders of Certain Commonwealth General Obligation Bonds (the “Participation Notice”) filed by Cantor-Katz Collateral Monitor LLC (“Cantor-Katz”), a Delaware limited liability company, which serves as the collateral monitor (the “Collateral Monitor”) for Wilmington Trust, N.A. (the “Indenture Trustee”) in connection with the New Bonds (as defined below) and pursuant to the terms of a collateral monitor agreement (the “Collateral Monitor Agreement”) by and between the Indenture Trustee and the Collateral Monitor.

This Annex constitutes part of the Participation Notice and is incorporated therein by reference.

The GDB Debt Recovery Authority and the New Bonds

The GDB Debt Recovery Authority (the “DRA”) is a newly formed statutory public trust and governmental instrumentality of the Commonwealth of Puerto Rico (the “Commonwealth”) that was created pursuant to Act. No. 109 of August 24, 2017 (as amended) (the “GDB Restructuring Act”), which was enacted by the Legislative Assembly of the Commonwealth.

The DRA was created by the GDB Restructuring Act to facilitate the restructuring of certain of GDB’s indebtedness pursuant to a Qualifying Modification under Title VI of the Puerto Rico Oversight, Management, and Economic Stability Act (“PROMESA”) (such Qualifying Modification as so certified by the Financial Oversight and Management Board under Section 601(g)(2)(A) of PROMESA, the “Qualifying Modification”). The Qualifying Modification was certified by order of the United States District Court for the District of Puerto Rico on November 7, 2018 (the “Approval Order”) as required under PROMESA.

The DRA's purpose is to receive the Transferred Property¹ from Banco Gubernamental de Fomento para Puerto Rico (the "GDB") and issue the 7.500% GDB Debt Recovery Authority Bonds (Taxable) due 2040 (the "New Bonds"). The New Bonds were issued by the DRA in exchange for the satisfaction of claims held by the GDB's creditors.

Obligations under the New Bonds are payable from the Restructuring Property, which, under the OM, includes all legal and equitable right, title and interest in and to, and claims and causes of action to enforce, the Transferred Property and Collections. The Transferred Property consists of a non-homogenous pool of assets, which have differing rights, conditions and characteristics, and which consist primarily of Loans made by the GDB to Commonwealth entities. A complete list of the Restructuring Property is set forth in the OM and includes several Loans made by GDB to the Commonwealth that benefit from a pledge of the Commonwealth's good faith, credit and taxing power. *See, e.g.*, OM at 100-137.

The Collateral Monitor

The Collateral Monitor was created pursuant to and in accordance with the Approval Order, the GDB Restructuring Act and the Bond Indenture. The Collateral Monitor is responsible for monitoring the activities of AmeriNational Community Services, LLC, as servicer (the "Servicer") for the DRA in connection with the New Bonds. The Collateral Monitor is responsible for, among other things, overseeing the Servicer's efforts to maximize the realizable present value of the Restructuring Property.

Reservation of Rights

In the Participation Notice, the Collateral Monitor indicated that it intends to oppose the relief requested in the Omnibus Objection. The Omnibus Objection pertains to certain specific challenged general obligation bonds. However, the Omnibus Objection could have broad reaching implications on the interests of the DRA, which owns obligations that would benefit from differing results in the Omnibus Objection. Moreover, the DRA has its own unique motivations and economic interests in the Title III cases and other assets of the Commonwealth and its municipalities that may diverge from the interests of holders of the challenged bonds, or the holders of other similarly-situated credits.

Accordingly, the Collateral Monitor reserves all rights to amend the Participation Notice at any time, or to take any affirmative position with respect to the Omnibus Objection. The Collateral Monitor does not waive any of its rights with respect to any of its obligations against the Commonwealth or with respect to any position it may take in the Omnibus Objection, any of the Title III cases or any other dispute with the Commonwealth, the Committee, the Oversight Board or any other entity. Nothing contained in the Participation Notice shall be construed as a limitation or waiver of the Collateral Monitor's rights and remedies that are available to it under applicable law.

¹ Capitalized terms used in this Annex that are not defined shall have the meanings ascribed to them in the GDB Debt Recovery Authority offering memorandum dated November 7, 2018 (the "OM").